



CSBG Success Story

Please submit success story to Jessica Simon at jessica.simon@commerce.wa.gov. If you have questions, contact Jessica at 360-725-2850. Due Date: The 10th of the month the story is due.

Date: 04/01/10

Organization Name:	Clark County, WA
Contact Person/Title:	Karen Evans, Program Coordinator
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1. Success Story is for:	<input checked="" type="checkbox"/> ARRA <input type="checkbox"/> FFY 09 (skip to question 8) <input type="checkbox"/> FFY 10 (skip questions 6 & 7)
2. CSBG Project Name:	Community Housing Resource Center's Foreclosure Prevention Counseling Services and Credit Smart Financial Education and Counseling Program
3. Total Project Budget:	\$195,000
4. Total CSBG Amount of Budget:	\$56,400
5. Number of total clients expected to serve, with all funds for the project:	1,200
6. Number of ARRA jobs expected to be created/retained as a result of this project:	1
7. Number of ARRA jobs actually created/retained as a result of this project to date:	1
8. Brief project/activity description:	Community members will have the opportunity to improve money management skills and increase financial stability to cushion family emergencies such as illness or a job loss through financial education and one-on-one financial counseling as well as maintain housing stability and the asset of homeownership through foreclosure prevention education and counseling. Services will be provided in English as well as Spanish and meet National Industry Standards for Financial Education and Homeownership Education and Counseling Standards established by HUD and NeighborWorks®.
9. How will this project help clients, build community, and form new partnerships? What aspects of the project would you like to share with the public:	
<p>BRUCE</p> <p>One year ago, Bruce's hours at work were reduced. His wife was still working, but the reduction of income motivated them to approach their mortgage lender about refinancing their loan at a reduced rate. Shortly after receiving the modification, Bruce was laid off. Despite the difficulty, Bruce and his wife continued to make their mortgage payment every month. They are a young couple in their late 20's with two pre-school age children.</p>	

Seemingly out of the blue, their lender removed the family from the modification program and stopped returning their calls. Bruce was on unemployment and there was no way they could assume their original mortgage payment.

In September, Bruce extended his unemployment and went back to school to become a Physical Therapist. He also came to our classroom to learn about receiving a trial modification through the Making Home Affordable program. He and his counselor submitted a modification packet but the lender kept requiring more and more documentation. Finally, after weeks of work advocating for the client, the financial counselor at the Center successfully was able to assist Bruce and his wife and they were granted a three month trial modification.

For the next three months, the family made the trial payments, and in January they were granted a permanent modification. The new loan dropped their interest rate from 9.125% to 2% for the first five years, lowering their monthly payment by over \$800. It also converted the loan from an adjustable rate mortgage to a fixed rate loan. Now, Bruce has the stability at home he needs as he embarks upon his new career. Bruce recently had his taxes prepared for free at the Center and received the Earned Income Tax Credit (EITC) income tax credit as well as a tax credit for child care expenses. These additional funds will supplement the family's income and his education expenses.

SHARON

Sharon, a 64 year old single head of a household, came to the Center for help in obtaining a loan modification. She was supporting two college age children by herself and had gotten behind on her mortgage after she lost her job. Work was difficult to find, but as a senior, she was having an especially rough time of it.

Our mortgage default prevention counselor helped Sharon obtain a loan modification that lowered her monthly payment. Unfortunately, she still could not find work and eventually the modification went into delinquency. An auction date was scheduled to foreclosure on Sharon's home.

Sharon turned again to the Center for help. Her counselor advised her on the risks and benefits to taking out a reverse mortgage. Before her home could be foreclosed, she finalized the paperwork on her reverse mortgage and brought her loan current. Sharon remains in her home today and works part-time through a senior employment assistance program which the Center helped arrange because of our long-term partnership with Partners in Careers. She continues to work with her counselor to repair her credit which was damaged because of her late mortgage payments.

VITA

Vita, a single mother of two children, owned and operated a small business in Vancouver, but business was slowing down. In October it seemed like the bottom fell out and her income dropped dramatically.

Trying to reduce expenses, Vita looked into refinancing her mortgage. With the fees and tightening credit market, however, it wasn't going to make sense to do so. Last fall, she came to the Community Housing Resource Center for help to secure a loan modification.

Spanish is Vita's native language. When she purchased her home the complexities of her loan product was not explained to her in Spanish nor was the particular loan product in her best interest. She had been sold a predatory loan product even though her credit history and income would have allowed her to obtain a fixed rate loan with a much lower interest rate and lower fees.

Vita had two mortgages, and quickly, our counselor was able to help her obtain a temporary forbearance on the second mortgage with her lender. Our counselor then submitted a modification packet on the first mortgage and in December she was granted a three month trial modification that cut her monthly payment by a more than a third.

Vita has made every payment on her trial modification, and is currently awaiting word from her lender on the details of her permanent one. Two weeks ago, Vita met with our counselor about the transition to a permanent modification. Even though it's not complete, Vita is optimistic and greatly appreciates having her counseling sessions in Spanish. Business is even starting to pick up a little for Vita. No matter what happens, we'll continue to be there to help. Vita now is a great resource to the Center too. Vita continually promotes the Center's services to the Hispanic community in Vancouver, both through her business and at her church.